



General Assembly

February Session, 2010

Raised Bill No. 93

LCO No. 787

00787_____INS

Referred to Committee on Insurance and Real Estate

Introduced by:
(INS)

AN ACT CONCERNING REVISIONS TO THE INSURANCE STATUTES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (d) of section 38a-8 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2010*):

4 (d) The commissioner shall develop a program of periodic review to
5 ensure compliance by the Insurance Department with the minimum
6 standards established by the National Association of Insurance
7 Commissioners for effective financial surveillance and regulation of
8 insurance companies operating in this state. The commissioner shall
9 adopt regulations, in accordance with the provisions of chapter 54,
10 pertaining to the financial surveillance and solvency regulation of
11 insurance companies and health care centers as are reasonable and
12 necessary to obtain or maintain the accreditation of the Insurance
13 Department by the National Association of Insurance Commissioners.
14 The commissioner shall maintain, as confidential, any confidential
15 documents or information received from the National Association of
16 Insurance Commissioners, or the International Association of

17 Insurance Supervisors, or any documents or information received from
18 state or federal insurance, banking or securities regulators or similar
19 regulators in a foreign country which are confidential in such
20 jurisdictions. The commissioner may share any information, including
21 confidential information, with the National Association of Insurance
22 Commissioners, the International Association of Insurance
23 Supervisors, or state or federal insurance, banking or securities
24 regulators or similar regulators in a foreign country so long as the
25 commissioner determines that such entities agree to maintain the same
26 level of confidentiality in their jurisdiction as is available in this state.
27 The commissioner may engage the services of [, at the expense of a
28 domestic, alien or foreign insurer,] attorneys, actuaries, accountants
29 and other experts not otherwise part of the commissioner's staff as may
30 be necessary, at the expense of a domestic, alien or foreign insurer or
31 other entity requiring licensure or registration under this title, to assist
32 the commissioner in the financial analysis of the insurer or other entity,
33 the review of the insurer's or other entity's license or registration
34 applications, and the review of transactions within a holding company
35 system involving an insurer domiciled in this state. No duties of a
36 person employed by the Insurance Department on November 1, 2002,
37 shall be performed by such attorney, actuary, accountant or expert.

38 Sec. 2. Section 38a-9 of the 2010 supplement to the general statutes is
39 repealed and the following is substituted in lieu thereof (*Effective from*
40 *passage*):

41 (a) Notwithstanding the provisions of section 4-8, there shall be a
42 [Division of Consumer Affairs] division within the Insurance
43 Department [, which division] that shall act on the Insurance
44 Commissioner's behalf and at [his] said commissioner's direction in
45 order to carry out his responsibilities under this title with respect to
46 [such] consumer and market conduct matters. The division shall
47 receive and review complaints from residents of this state concerning
48 their insurance problems, including claims disputes, and serve as a
49 mediator in such disputes in order to assist the commissioner in

50 determining whether statutory requirements and contractual
51 obligations within the commissioner's jurisdiction have been fulfilled.
52 There shall be a director of said division, who shall be provided with
53 sufficient staff. The division shall serve to coordinate all appropriate
54 facilities in the department in addressing such complaints, and
55 conduct any outreach programs deemed necessary to properly inform
56 and educate the public on insurance matters. The director shall submit
57 quarterly reports to the commissioner, which shall state the number of
58 complaints received by the division in such calendar quarter, the
59 Connecticut premium volume of the appropriate line of each insurance
60 company against which a complaint has been filed, the types of
61 complaints received, and the number of such complaints which have
62 been resolved. Such reports shall be published every six months and
63 copies shall be made available to any interested resident of this state
64 upon request. The commissioner shall report, in accordance with
65 section 11-4a, to the joint standing committee of the General Assembly
66 having cognizance of matters relating to insurance on or before
67 January fifteenth, annually, concerning the findings of such reports
68 and suggestions for legislative initiatives to address recurring
69 problems.

70 (b) (1) The [Division of Consumer Affairs] division set forth in
71 subsection (a) of this section shall provide an independent arbitration
72 procedure for the settlement of disputes between claimants and
73 insurance companies concerning automobile physical damage and
74 automobile property damage liability claims in which liability and
75 coverage are not in dispute. Such procedure shall apply only to
76 disputes involving private passenger motor vehicles as defined in
77 subsection (e) of section 38a-363. Any company licensed to write
78 private passenger automobile insurance, including collision,
79 comprehensive and theft, in this state shall participate in the
80 arbitration procedure. The commissioner shall appoint an
81 administrator for such procedure. Only those disputes in which
82 attempts at mediation by [the Division of Consumer Affairs] said
83 division have failed shall be accepted as arbitrable. The referral of the

84 complaint to arbitration shall be made by the Insurance Department
85 examiner who investigated the complaint. [Each party to] The claimant
86 and the insurance company involved in the dispute shall pay a filing
87 fee of [twenty] fifty dollars and one hundred dollars, respectively. The
88 insurance company shall pay the consumer the undisputed amount of
89 the claim upon written notification from the department that the
90 complaint has been referred to arbitration. Such payment shall not
91 affect any right of the consumer to pursue the disputed amount of the
92 claim.

93 (2) The commissioner shall prepare a list of at least ten persons, who
94 have not been employed by the department or an insurance company
95 during the preceding twelve months, to serve as arbitrators in the
96 settlement of such disputes. The arbitrators shall be members of any
97 dispute resolution organization approved by the commissioner. One
98 arbitrator shall be appointed to hear and decide each complaint.
99 Appointment shall be based solely on the order of the list. If an
100 arbitrator is unable to serve on a given day, or if either party objects to
101 the arbitrator, then the next arbitrator on the list will be selected. The
102 department shall schedule arbitration hearings as often, and in such
103 locations, as it deems necessary. Parties to the dispute shall be
104 provided written notice of the hearing, at least ten days prior to the
105 hearing date. The commissioner may issue subpoenas on behalf of the
106 arbitrator to compel the attendance of witnesses and the production of
107 documents, papers and records relevant to the dispute. Decisions shall
108 be made on the basis of the evidence presented at the arbitration
109 hearing. Where the arbitrator believes that technical expertise is
110 necessary to decide a case, he may consult with an independent expert
111 recommended by the commissioner. The arbitrator and any
112 independent technical expert shall be paid by the department on a per
113 dispute basis as established by the commissioner. The arbitrator, as
114 expeditiously as possible, but not later than fifteen days after the
115 arbitration hearing, shall render a written decision based on the
116 information gathered and disclose the findings and the reasons to the
117 parties involved. The arbitrator shall award filing fees to the prevailing

118 party. If the decision favors the consumer the decision shall provide
 119 specific and appropriate remedies including interest at the rate of ten
 120 per cent on the arbitration award concerning the disputed amount of
 121 the claim, retroactive to the date of payment for the undisputed
 122 amount of the claim. The decision may include costs for loss of use and
 123 storage of the motor vehicle and shall specify a date for performance
 124 and completion of all awarded remedies. Notwithstanding any
 125 provision of the general statutes or any regulation to the contrary, the
 126 Insurance Department shall not amend, reverse, rescind, or revoke any
 127 decision or action of any arbitrator. The department shall contact the
 128 consumer within ten working days after the date for performance, to
 129 determine whether performance has occurred. Either party may make
 130 application to the superior court for the judicial district in which one of
 131 the parties resides or, when the court is not in session, any judge
 132 thereof for an order confirming, vacating, modifying or correcting any
 133 award, in accordance with the provisions of sections 52-417, 52-418, 52-
 134 419 and 52-420. If it is determined by the court that either party's
 135 position after review has been improved by at least ten per cent over
 136 that party's position after arbitration, the court, in its discretion, may
 137 grant to that party its costs and reasonable attorney's fees. No
 138 evidence, testimony, findings, or decision from the department
 139 arbitration procedure shall be admissible in any civil proceeding,
 140 except judicial review of the arbitrator's decision as contemplated by
 141 this subsection.

142 (3) The department shall maintain records of each dispute,
 143 including names of parties to the arbitration, the decision of the
 144 arbitrator, compliance, the appeal, if any, and the decision of the court.
 145 The department shall annually compile such statistics and send a copy
 146 to the committee of the General Assembly having cognizance of
 147 matters relating to insurance. The report shall be considered a public
 148 document.

149 (c) Notwithstanding the provisions of section 4-8, there shall be [a
 150 Division of Rate Review] divisions within the Insurance Department [,

151 which division] that shall act on the commissioner's behalf and at the
 152 commissioner's direction in order to carry out the commissioner's
 153 responsibilities under this title with respect to [such matters] rate
 154 review. Subject to the provisions of sections 38a-663 to 38a-696,
 155 inclusive, the [division] divisions shall assist the commissioner in
 156 reviewing rates and supplementary rate information filed with the
 157 department for compliance with statutory requirements and
 158 standards. The [division's staff] divisions' staffs shall include rating
 159 examiners with sufficient actuarial expertise. Upon the request of the
 160 commissioner, the [division] divisions shall review rates and
 161 supplementary rate information, and any suspected violation of the
 162 statutory requirements and standards of sections 38a-663 to 38a-696,
 163 inclusive, found pursuant to such review shall be referred to the
 164 commissioner for appropriate action. The [division] divisions may
 165 assist the commissioner in formalizing the commissioner's findings
 166 regarding such actions. The commissioner shall report, in accordance
 167 with section 11-4a, to the joint standing committee of the General
 168 Assembly having cognizance of matters relating to insurance on or
 169 before January fifteenth annually, concerning (1) the number and type
 170 of reviews conducted by the property and casualty division in the
 171 prior calendar year, and (2) the percentage of increase or decrease in
 172 rates reviewed by the property and casualty division during the
 173 preceding calendar year, by line and subline of insurance.

174 (d) The directors and staff of [both the Division of Consumer Affairs
 175 and the Division of Rate Review] the divisions set forth in subsections
 176 (a) and (c) of this section shall be appointed by the commissioner
 177 under the provisions of chapter 67.

178 Sec. 3. Subsection (a) of section 38a-11 of the 2010 supplement to the
 179 general statutes is repealed and the following is substituted in lieu
 180 thereof (*Effective October 1, 2010*):

181 (a) The commissioner shall demand and receive the following fees:
 182 (1) For the annual fee for each license issued to a domestic insurance

183 company, two hundred dollars; (2) for receiving and filing annual
184 reports of domestic insurance companies, fifty dollars; (3) for filing all
185 documents prerequisite to the issuance of a license to an insurance
186 company, two hundred twenty dollars, except that the fee for such
187 filings by any health care center, as defined in section 38a-175, shall be
188 one thousand three hundred fifty dollars; (4) for filing any additional
189 paper required by law, thirty dollars; (5) for each certificate of
190 valuation, organization, reciprocity or compliance, forty dollars; (6) for
191 each certified copy of a license to a company, forty dollars; (7) for each
192 certified copy of a report or certificate of condition of a company to be
193 filed in any other state, forty dollars; (8) for amending a certificate of
194 authority, two hundred dollars; (9) for each license issued to a rating
195 organization, two hundred dollars. In addition, insurance companies
196 shall pay any fees imposed under section 12-211; (10) a filing fee of
197 fifty dollars for each initial application for a license made pursuant to
198 section 38a-769; (11) with respect to insurance agents' appointments:
199 (A) A filing fee of fifty dollars for each request for any agent
200 appointment, except that no filing fee shall be payable for a request for
201 agent appointment by an insurance company domiciled in a state or
202 foreign country which does not require any filing fee for a request for
203 agent appointment for a Connecticut insurance company; (B) a fee of
204 one hundred dollars for each appointment issued to an agent of a
205 domestic insurance company or for each appointment continued; and
206 (C) a fee of eighty dollars for each appointment issued to an agent of
207 any other insurance company or for each appointment continued,
208 except that (i) no fee shall be payable for an appointment issued to an
209 agent of an insurance company domiciled in a state or foreign country
210 which does not require any fee for an appointment issued to an agent
211 of a Connecticut insurance company, and (ii) the fee shall be twenty
212 dollars for each appointment issued or continued to an agent of an
213 insurance company domiciled in a state or foreign country with a
214 premium tax rate below Connecticut's premium tax rate; (12) with
215 respect to insurance producers: (A) An examination fee of fifteen
216 dollars for each examination taken, except when a testing service is

217 used, the testing service shall pay a fee of fifteen dollars to the
218 commissioner for each examination taken by an applicant; (B) a fee of
219 eighty dollars for each license issued; (C) a fee of eighty dollars per
220 year, or any portion thereof, for each license renewed; and (D) a fee of
221 eighty dollars for any license renewed under the transitional process
222 established in section 38a-784; (13) with respect to public adjusters: (A)
223 An examination fee of fifteen dollars for each examination taken,
224 except when a testing service is used, the testing service shall pay a fee
225 of fifteen dollars to the commissioner for each examination taken by an
226 applicant; and (B) a fee of two hundred fifty dollars for each license
227 issued or renewed; (14) with respect to casualty adjusters: (A) An
228 examination fee of twenty dollars for each examination taken, except
229 when a testing service is used, the testing service shall pay a fee of
230 twenty dollars to the commissioner for each examination taken by an
231 applicant; (B) a fee of eighty dollars for each license issued or renewed;
232 and (C) the expense of any examination administered outside the state
233 shall be the responsibility of the entity making the request and such
234 entity shall pay to the commissioner two hundred dollars for such
235 examination and the actual traveling expenses of the examination
236 administrator to administer such examination; (15) with respect to
237 motor vehicle physical damage appraisers: (A) An examination fee of
238 eighty dollars for each examination taken, except when a testing
239 service is used, the testing service shall pay a fee of eighty dollars to
240 the commissioner for each examination taken by an applicant; (B) a fee
241 of eighty dollars for each license issued or renewed; and (C) the
242 expense of any examination administered outside the state shall be the
243 responsibility of the entity making the request and such entity shall
244 pay to the commissioner two hundred dollars for such examination
245 and the actual traveling expenses of the examination administrator to
246 administer such examination; (16) with respect to certified insurance
247 consultants: (A) An examination fee of twenty-six dollars for each
248 examination taken, except when a testing service is used, the testing
249 service shall pay a fee of twenty-six dollars to the commissioner for
250 each examination taken by an applicant; (B) a fee of two hundred fifty

251 dollars for each license issued; and (C) a fee of two hundred fifty
252 dollars for each license renewed; (17) with respect to surplus lines
253 brokers: (A) An examination fee of twenty dollars for each
254 examination taken, except when a testing service is used, the testing
255 service shall pay a fee of twenty dollars to the commissioner for each
256 examination taken by an applicant; and (B) a fee of six hundred
257 twenty-five dollars for each license issued or renewed; (18) with
258 respect to fraternal agents, a fee of eighty dollars for each license
259 issued or renewed; (19) a fee of twenty-six dollars for each license
260 certificate requested, whether or not a license has been issued; (20)
261 with respect to domestic and foreign benefit societies shall pay: (A) For
262 service of process, fifty dollars for each person or insurer to be served;
263 (B) for filing a certified copy of its charter or articles of association,
264 fifteen dollars; (C) for filing the annual report, twenty dollars; and (D)
265 for filing any additional paper required by law, fifteen dollars; (21)
266 with respect to foreign benefit societies: (A) For each certificate of
267 organization or compliance, fifteen dollars; (B) for each certified copy
268 of permit, fifteen dollars; and (C) for each copy of a report or certificate
269 of condition of a society to be filed in any other state, fifteen dollars;
270 (22) with respect to reinsurance intermediaries: A fee of six hundred
271 twenty-five dollars for each license issued or renewed; (23) with
272 respect to life settlement providers: (A) A filing fee of twenty-six
273 dollars for each initial application for a license made pursuant to
274 section 38a-465a; and (B) a fee of forty dollars for each license issued or
275 renewed; (24) with respect to life settlement brokers: (A) A filing fee of
276 twenty-six dollars for each initial application for a license made
277 pursuant to section 38a-465a; and (B) a fee of forty dollars for each
278 license issued or renewed; (25) with respect to preferred provider
279 networks, a fee of two thousand seven hundred fifty dollars for each
280 license issued or renewed; (26) with respect to rental companies, as
281 defined in section 38a-799, a fee of eighty dollars for each permit
282 issued or renewed; (27) with respect to medical discount plan
283 organizations licensed under section 38a-479rr, a fee of six hundred
284 twenty-five dollars for each license issued or renewed; (28) with

285 respect to pharmacy benefits managers, an application fee of one
 286 hundred dollars for each registration issued or renewed; (29) with
 287 respect to captive insurance companies, as defined in section 38a-91aa,
 288 a fee of three hundred seventy-five dollars for each license issued or
 289 renewed; [and] (30) with respect to each duplicate license issued a fee
 290 of fifty dollars for each license issued; and (31) a filing fee of two
 291 thousand five hundred dollars for each statement of acquisition of
 292 control of a domestic insurance company filed pursuant to section 38a-
 293 130.

294 Sec. 4. Section 38a-14a of the general statutes is repealed and the
 295 following is substituted in lieu thereof (*Effective October 1, 2010*):

296 (a) Subject to the limitation contained in this section and in addition
 297 to the powers which the Insurance Commissioner has under sections
 298 38a-14 and 38a-15, as amended by this act, relating to the examination
 299 of insurance companies and health care centers doing business in this
 300 state, the commissioner shall have the power to order any insurance
 301 company registered under section 38a-135 or health care center to
 302 produce such records, books or other information in the possession of
 303 the insurance company or the health care center or its affiliates as are
 304 reasonably necessary to ascertain the financial condition of such
 305 insurance company or health care center or to determine compliance
 306 with sections 38a-129 to 38a-140, inclusive. In the event such insurance
 307 company or health care center fails to comply with such order, the
 308 commissioner shall have the power to examine any such affiliate to
 309 obtain such information.

310 (b) The commissioner may engage the services of attorneys,
 311 actuaries, accountants and other experts not otherwise a part of the
 312 commissioner's staff, at the registered insurance company's or health
 313 care center's expense, as shall be reasonably necessary to assist in the
 314 conduct of the examination under subsection (a) of this section. All
 315 persons so engaged shall be under the direction and control of the
 316 commissioner and shall act in a purely advisory capacity.

317 (c) Each registered insurance company or health care center
318 producing for examination records, books and papers pursuant to
319 subsection (a) of this section shall be liable for and shall pay the
320 expense of such examination in accordance with sections 38a-14 and
321 38a-15, as amended by this act.

322 Sec. 5. Section 38a-15 of the general statutes is repealed and the
323 following is substituted in lieu thereof (*Effective October 1, 2010*):

324 (a) The commissioner shall, as often as [he] the commissioner deems
325 it expedient, undertake a market conduct examination of the affairs of
326 any insurance company, health care center or fraternal benefit society
327 doing business in this state.

328 (b) To carry out the examinations under this section, the
329 commissioner may appoint, as market conduct examiners, one or more
330 competent persons [, not officers] who shall not be officers of, or
331 connected with or interested in any insurance company, health care
332 center or fraternal benefit society, other than as a policyholder. In
333 conducting the examination, the commissioner, [his] the
334 commissioner's actuary or any examiner authorized by the
335 commissioner may examine, under oath, the officers and agents of
336 such an insurance company, health care center or fraternal benefit
337 society and all persons deemed to have material information regarding
338 the company's, center's or society's property or business. Each such
339 company, center or society, its officers and agents, shall produce the
340 books and papers, in its or their possession, relating to its business or
341 affairs, and any other person may be required to produce any book or
342 paper [, in his] in such person's custody [,] deemed to be relevant to the
343 examination, for the inspection of the commissioner, [his] the
344 commissioner's actuary or examiners, when required. The officers and
345 agents of the company, center or association shall facilitate the
346 examination and aid the examiners in making the same so far as it is in
347 their power to do so.

348 (c) Each market conduct examiner shall make a full and true report

349 of each market conduct examination made by [him] such examiner,
 350 which shall comprise only facts appearing upon the books, papers,
 351 records or documents of the examined company, center or society or
 352 ascertained from the sworn testimony of its officers or agents or of
 353 other persons examined under oath concerning its affairs. The
 354 examiner's report shall be presumptive evidence of the facts therein
 355 stated in any action or proceeding in the name of the state against the
 356 company, center or society, its officers or agents. [The] Before filing
 357 such report, the commissioner shall grant a hearing to the company,
 358 center or society examined, [before filing any such report,] and may
 359 withhold any such report from public inspection for such time as [he]
 360 the commissioner deems proper. The commissioner may, if [he] said
 361 commissioner deems it in the public interest, publish any such report,
 362 or the result of any such examination contained therein, in one or more
 363 newspapers of the state.

364 [(d) All the expense of any examination made under the authority of
 365 this section, other than examinations of domestic insurance companies,
 366 shall be paid by the company, center or society examined, and
 367 domestic insurance companies and other domestic entities examined
 368 outside the state shall pay the traveling and maintenance expenses of
 369 examiners.]

370 (d) (1) The commissioner may engage the services of attorneys,
 371 appraisers, independent actuaries, independent certified public
 372 accountants or other professionals and specialists to assist in
 373 conducting the examinations under this section as examiners, the cost
 374 of which shall be borne by the company that is the subject of the
 375 examination.

376 (2) No cause of action shall arise nor shall any liability be imposed
 377 against the commissioner, the commissioner's authorized
 378 representatives or any examiner appointed by the commissioner for
 379 any statements made or conduct performed in good faith while
 380 carrying out the provisions of this section.

381 (3) No cause of action shall arise nor shall any liability be imposed
382 against any person for the act of communicating or delivering
383 information or data to the commissioner or the commissioner's
384 authorized representative or examiner pursuant to an examination
385 made under this section, if such act of communication or delivery was
386 performed in good faith and without fraudulent intent or the intent to
387 deceive.

388 (4) This section shall not abrogate or modify any common law or
389 statutory privilege or immunity heretofore enjoyed by any person
390 identified in subdivision (2) of this subsection.

391 (5) A person identified in subdivision (2) of this subsection shall be
392 entitled to an award of attorney's fees and costs if such person is the
393 prevailing party in a civil cause of action for libel, slander or any other
394 relevant tort arising out of activities in carrying out the provisions of
395 this section and the party bringing the action was not substantially
396 justified in doing so. For the purposes of this section, a proceeding is
397 "substantially justified" if it had a reasonable basis in law or fact at the
398 time that it was initiated.

399 (e) Notwithstanding subdivision (1) of subsection (d) of this section,
400 no domestic insurance company or other domestic entity subject to
401 examination under this section shall pay, as costs associated with the
402 examination, the salaries, fringe benefits, and travel and maintenance
403 expenses of examining personnel of the Insurance Department
404 engaged in such examination if such domestic company or entity is
405 otherwise liable to an assessment levied under section 38a-47, except
406 that a domestic insurance company or other domestic entity shall pay
407 the traveling and maintenance expenses of examining personnel of the
408 Insurance Department when such company or entity is examined
409 outside the state.

410 (f) Nothing in this section shall be construed to prevent or prohibit
411 the commissioner from disclosing the content of an examination
412 report, preliminary examination report or results, or any matter

413 relating thereto, to the Insurance Department of this or any other state
 414 or country, or to law enforcement officials of this or any other state or
 415 to any agency of the federal government at any time, as long as such
 416 agency or office receiving the report or matters relating thereto agrees
 417 in writing to hold such report or matters confidential.

418 (g) All working papers, recorded information, documents and
 419 copies thereof produced by, obtained by or disclosed to the
 420 commissioner or any other person in the course of an examination
 421 made under this section shall be given confidential treatment, shall not
 422 be subject to subpoena and shall not be made public by the
 423 commissioner or any other person, except to the extent provided in
 424 subsection (f) of this section. Access to such working papers, recorded
 425 information, documents and copies may be granted by the
 426 commissioner to the National Association of Insurance Commissioners
 427 as long as it agrees, in writing, to hold such working papers, recorded
 428 information, documents and copies confidential.

429 Sec. 6. Subdivision (1) of subsection (d) of section 38a-91bb of the
 430 general statutes is repealed and the following is substituted in lieu
 431 thereof (*Effective October 1, 2010*):

432 (d) (1) Each captive insurance company shall pay to the
 433 commissioner a nonrefundable fee of eight hundred dollars for
 434 examining, investigating and processing its application for a license. [,
 435 and the] The commissioner may retain legal, financial and examination
 436 services from outside the department for the licensing and financial
 437 oversight of a captive insurance company, the reasonable cost of which
 438 may be charged against [the applicant] such company. The provisions
 439 of subdivisions (2) to (5), inclusive, of subsection (k) of section 38a-14
 440 shall apply to [examinations, investigations and processing conducted
 441 under] the services retained pursuant to this [section] subsection.

442 Sec. 7. Subsection (g) of section 38a-91hh of the 2010 supplement to
 443 the general statutes is repealed and the following is substituted in lieu
 444 thereof (*Effective from passage*):

445 (g) Nothing contained in this section shall prevent or be construed
 446 as prohibiting the commissioner from disclosing the content of an
 447 examination report, preliminary examination report or results, or any
 448 matter relating to such report to (1) the [Insurance Department]
 449 insurance regulatory officials of this or any other state or country, (2)
 450 law enforcement officials of this or any other state, or (3) any agency of
 451 this or any other state or of the federal government at any time, so long
 452 as such agency or office receiving the report or matters relating to such
 453 report agrees, in writing, that such documents shall be confidential.

454 Sec. 8. Section 38a-91nn of the 2010 supplement to the general
 455 statutes is repealed and the following is substituted in lieu thereof
 456 (*Effective from passage and applicable to calendar years commencing on and*
 457 *after January 1, 2010*):

458 (a) Each captive insurance company shall pay to the Commissioner
 459 of Revenue Services, [in the month of February of each year] on or
 460 before March first, annually, a tax at the rate of thirty-eight hundredths
 461 of one per cent on the first twenty million dollars and two hundred
 462 eighty-five thousandths of one per cent on the next twenty million
 463 dollars and nineteen hundredths of one per cent on the next twenty
 464 million dollars and seventy-two thousandths of one per cent on each
 465 dollar thereafter, on the direct premiums collected or contracted for on
 466 policies or contracts of insurance written by the captive insurance
 467 company during the year ending December thirty-first next preceding,
 468 after deducting from the direct premiums subject to the tax the
 469 amounts paid to policyholders as return premiums which shall include
 470 dividends on unabsorbed premiums or premium deposits returned or
 471 credited to policyholders, except that no tax shall be due or payable as
 472 to considerations received for annuity contracts.

473 (b) The annual minimum aggregate tax to be paid by a captive
 474 insurance company calculated under subsection (a) of this section shall
 475 be seven thousand five hundred dollars, and the annual maximum
 476 aggregate tax shall be two hundred thousand dollars.

477 (c) [A captive insurance company failing to file returns as required
478 in this section or failing to pay within the time required all taxes
479 assessed by this section shall be subject to penalty under section 12-
480 229.] The provisions of sections 12-204, 12-204d, 12-204g and 12-205 to
481 12-208, inclusive, shall apply to sections 38a-91aa to 38a-91qq,
482 inclusive, as amended by this act, in the same manner and with the
483 same force and effect as if the language of sections 12-204, 12-204d, 12-
484 204g and 12-205 to 12-208, inclusive, had been incorporated in full into
485 this section and had expressly referred to the tax due under this
486 section, except to the extent such language is inconsistent with a
487 provision of sections 38a-91aa to 38a-91qq, inclusive, as amended by
488 this act.

489 (d) Two or more captive insurance companies under common
490 ownership and control shall be taxed as though they were a single
491 captive insurance company.

492 (e) For the purposes of this section common ownership and control
493 means:

494 (1) In the case of stock corporations, the direct or indirect ownership
495 of eighty per cent or more of the outstanding voting stock of two or
496 more corporations by the same shareholder or shareholders; and

497 (2) In the case of mutual or nonprofit corporations, the direct or
498 indirect ownership of eighty per cent or more of the surplus and the
499 voting power of two or more corporations by the same member or
500 members.

501 (f) The tax provided for in this section shall constitute all taxes
502 collectible under the laws of this state from any captive insurance
503 company, and no other occupation tax or other taxes shall be levied or
504 collected from any captive insurance company by the state or any
505 county, city or municipality within this state, except taxes on real and
506 personal property used in the production of income.

507 (g) The tax provided for in this section shall be calculated on an
508 annual basis, notwithstanding policies or contracts of insurance or
509 contracts of reinsurance issued on a multiyear basis. In the case of
510 multiyear policies or contracts, the premium shall be prorated for
511 purposes of determining the tax under this section.

512 Sec. 9. Subparagraph (B) of subdivision (1) of section 38a-92a of the
513 general statutes is repealed and the following is substituted in lieu
514 thereof (*Effective October 1, 2010*):

515 (B) "Financial guaranty insurance" shall not include:

516 (i) Insurance of any loss resulting from any event described in
517 subparagraph (A) of this subdivision if the loss is payable only upon
518 the occurrence of any of the following, as specified in a surety bond,
519 insurance policy or indemnity contract: A fortuitous physical event; a
520 failure of or deficiency in the operation of equipment; or an inability to
521 extract or recover a natural resource;

522 (ii) Surety insurance, defined as insurance: Guaranteeing the fidelity
523 of persons holding positions of public or private trusts; indemnifying
524 financial institutions against loss of moneys, securities, negotiable
525 instruments and other tangible items of personal property caused by
526 larceny, misplacement, destruction or other stated perils; insuring
527 against loss caused by forgery of signatures on, or alterations of
528 specified documents, instruments and papers; becoming surety on or
529 guaranteeing the performance of a bond which shall not exceed a
530 period greater than five years, that guarantees the payment of a
531 premium, deductible, or self-insured retention to an insurer issuing a
532 workers' compensation or liability policy; insuring deposits in financial
533 institutions to the extent of the excess over the amount insured by the
534 Federal Deposit Insurance Corporation; guaranteeing the performance
535 of contracts for services, including a bid, payment or performance
536 bond where the bond is guaranteeing the execution of any contract
537 other than a contract of indebtedness or other monetary obligation;
538 and guaranteeing or otherwise becoming surety for the performance of

539 any lawful contract, not specifically provided for in this subdivision,
540 except any insurance contract which constitutes either mortgage
541 guaranty insurance or financial guaranty insurance, as defined in
542 subparagraph (A) of this subdivision;

543 (iii) Credit unemployment insurance, defined as insurance on a
544 debtor in connection with a specific loan or other credit transaction, to
545 provide payments to a creditor in the event of unemployment of the
546 debtor for the installments or other periodic payments becoming due
547 while a debtor is unemployed;

548 (iv) Credit insurance indemnifying a manufacturer, merchant or
549 educational institution which extends credit against loss or damage
550 resulting from nonpayment of debts owed to such entity for goods or
551 services provided in the normal course of business;

552 (v) Guaranteed investment contracts issued by a life insurance
553 company which provides that the life insurer will make specified
554 payments in exchange for specific premiums or contributions;

555 (vi) Mortgage guaranty insurance, defined as insurance against
556 financial loss by reason of the nonpayment of principal, interest and
557 other sums agreed to be paid under the terms of any note or bond or
558 other evidence of indebtedness secured by a mortgage, deed of trust or
559 other instrument constituting a first lien or charge on residential real
560 estate consisting of less than five units;

561 (vii) Indemnity contracts or similar guaranties, to the extent that
562 they are not otherwise limited or proscribed by sections 38a-92 to 38a-
563 92n, inclusive, in which a life insurer does any of the following:
564 Guarantees its obligations or indebtedness or the obligations or
565 indebtedness of a subsidiary, as defined in section 38a-1, other than a
566 financial guaranty insurance corporation, provided: To the extent that
567 any such obligations or indebtedness are backed by specific assets,
568 those assets shall be at all times owned by the life insurer or the
569 subsidiary, and in the case of the guaranty of the obligations or

570 indebtedness of the subsidiary that are not backed by specific assets of
571 the life insurer, the guaranty terminates once the subsidiary ceases to
572 be a subsidiary; guarantees obligations or indebtedness, including the
573 obligation to substitute assets where appropriate, with respect to
574 specific assets acquired by a life insurer in the course of normal
575 investment activities and not for the purpose of resale with credit
576 enhancement or guarantees obligations or indebtedness acquired by a
577 subsidiary, provided the assets acquired pursuant to this
578 subparagraph have been either acquired by a special purpose entity,
579 whose sole purpose is to acquire specific assets of the life insurer or the
580 subsidiary and issue securities or participation certificates backed by
581 the assets, or sold to an independent third party, or guarantees
582 obligations or indebtedness of an employee or agent of the life insurer;

583 (viii) Any cramdown bond or mortgage repurchase bond, as those
584 phrases are used by nationally recognized rating agencies in respect to
585 mortgage-backed securities;

586 (ix) Residual value insurance, defined as insurance issued in
587 connection with a lease or contract which sets forth a specific
588 termination value at the end of the term of the lease or contract for the
589 property covered by the lease or contract and which insures against
590 loss of economic value, other than loss due to physical damage, of
591 tangible personal property, real property and improvements thereto;

592 (x) Any letter of credit or similar transaction effected by a bank,
593 trust company or savings association;

594 (xi) Accumulation fund arrangements of any life insurance contract
595 or annuity contract made pursuant to section 38a-460, or any funding
596 agreements made pursuant to section 38a-459; or

597 (xii) Any other form of insurance covering risks that the
598 commissioner determines to be substantially similar to any of the
599 foregoing.

625 NOTICE:

629 Sec. 11. Section 38a-430 of the general statutes is repealed and the
630 following is substituted in lieu thereof (*Effective October 1, 2010*):

631 (a) No life insurance or annuity policy or contract shall be delivered
 632 or issued for delivery to any person in this state, nor shall any
 633 application, rider or endorsement be used in connection therewith,
 634 until a copy of the form thereof shall have been filed with and
 635 approved by the commissioner. The commissioner shall adopt
 636 regulations in accordance with the provisions of chapter 54,
 637 establishing a procedure for review of such policies. The commissioner
 638 shall issue [an order] a decision disapproving the use of any such form
 639 at any time if it does not comply with the requirements of law, or if it
 640 contains a provision or provisions which are unfair or deceptive or
 641 which encourage misrepresentation of the policy. The commissioner
 642 shall specify the reason for his disapproval. The provisions of section
 643 38a-19 shall apply to any such [order] decision issued by the
 644 commissioner.

645 (b) The commissioner may, as a condition of approval of a policy
 646 form, require the insurer to provide disclosure notices, illustrations or
 647 other explanatory materials to a policyholder at the time of sale. The
 648 commissioner may require revisions to policy forms and related
 649 advertising and sales materials if the commissioner believes such
 650 revisions are required to protect policyholders. The commissioner may
 651 issue guidelines for requirements for disclosure notices, illustrations or
 652 other explanatory materials said commissioner deems necessary to
 653 protect policyholders.

654 ~~[(b)]~~ (c) Nothing in this chapter shall preclude the issuance of a life
 655 insurance contract, including, but not limited to, a long-term care
 656 policy as provided in section 38a-458, which includes an optional
 657 health insurance rider, provided [,] the optional health insurance rider
 658 [must be] is filed with and approved by the Insurance Commissioner
 659 pursuant to section 38a-481, as amended by this act. Any company
 660 offering such policies for sale in this state shall be licensed to sell
 661 health insurance in this state pursuant to the provisions of section 38a-
 662 41.

663 Sec. 12. Subsections (a) to (d), inclusive, of section 38a-481 of the
664 2010 supplement to the general statutes are repealed and the following
665 is substituted in lieu thereof (*Effective October 1, 2010*):

666 (a) (1) No individual health insurance policy shall be delivered or
667 issued for delivery to any person in this state, nor shall any
668 application, rider or endorsement be used in connection with such
669 policy, until a copy of the form thereof and of the classification of risks
670 and the premium rates have been filed with the commissioner. The
671 commissioner shall adopt regulations, in accordance with chapter 54,
672 to establish a procedure for reviewing such policies. The commissioner
673 shall disapprove the use of such form at any time if it does not comply
674 with the requirements of law, or if it contains a provision or provisions
675 [which] that are unfair or deceptive or [which] that encourage
676 misrepresentation of the policy. The commissioner shall notify, in
677 writing, the insurer [which] that has filed any such form of the
678 commissioner's disapproval, specifying the reasons for disapproval,
679 and [ordering] communicating that no such insurer shall deliver or
680 issue for delivery to any person in this state a policy on or containing
681 such form. The provisions of section 38a-19 shall apply to such [orders]
682 notifications of disapprovals.

683 (2) The commissioner may, as a condition of approval of a policy
684 form, require the insurer to provide disclosure notices, illustrations or
685 other explanatory materials to a policyholder at the time of sale. The
686 commissioner may require revisions to policy forms and related
687 advertising and sales materials if the commissioner believes such
688 revisions are required to protect policyholders. The commissioner may
689 issue guidelines for requirements for disclosure notices, illustrations or
690 other explanatory materials said commissioner deems necessary to
691 protect policyholders.

692 (b) No rate filed under the provisions of subsection (a) of this
693 section shall be effective until the expiration of thirty days after it has
694 been filed or unless sooner approved by the commissioner in

695 accordance with regulations adopted pursuant to this subsection. The
696 commissioner shall adopt regulations, in accordance with chapter 54,
697 to prescribe standards to [insure] ensure that such rates shall not be
698 excessive, inadequate or unfairly discriminatory. The commissioner
699 may disapprove such rate within thirty days after it has been filed if it
700 fails to comply with such standards, except that no rate filed under the
701 provisions of subsection (a) of this section for any Medicare
702 supplement policy shall be effective unless approved in accordance
703 with section 38a-474, as amended by this act.

704 (c) No insurance company, fraternal benefit society, hospital service
705 corporation, medical service corporation, health care center or other
706 entity which delivers or issues for delivery in this state any Medicare
707 supplement policies or certificates shall incorporate in its rates or
708 determinations to grant coverage for Medicare supplement insurance
709 policies or certificates any factors or values based on the age, gender,
710 previous claims history or the medical condition of any person covered
711 by such policy or certificate. [except for plans "H" to "J", inclusive, as
712 provided in section 38a-495b. In plans "H" to "J", inclusive, previous
713 claims history and the medical condition of the applicant may be used
714 in determinations to grant coverage under Medicare supplement
715 policies and certificates issued prior to January 1, 2006.]

716 (d) Rates on a particular policy form [will] shall not be deemed
717 excessive if the insurer has filed a loss ratio guarantee with the
718 Insurance Commissioner [which] that meets the requirements of
719 subsection (e) of this section provided (1) the form of such loss ratio
720 guarantee has been explicitly approved by the Insurance
721 Commissioner, and (2) the current expected lifetime loss ratio is not
722 more than five per cent less than the filed lifetime loss ratio as certified
723 by an actuary. The insurer shall withdraw the policy form if the
724 commissioner determines that the lifetime loss ratio will not be met.
725 Rates also [will] shall not be deemed excessive if the insurer complies
726 with the terms of the loss ratio guarantee. The Insurance
727 Commissioner may adopt regulations, in accordance with chapter 54,

728 to [assure] ensure that the use of a loss ratio guarantee does not
729 constitute an unfair practice.

730 Sec. 13. Subsection (b) of section 38a-495b of the general statutes is
731 repealed and the following is substituted in lieu thereof (*Effective from*
732 *passage*):

733 (b) In accordance with the regulations adopted pursuant to section
734 38a-495a, on and after July 1, 2005, there [are] shall be standardized
735 Medicare supplement insurance policies or certificates as designated
736 [as plans "A" to "L", inclusive] by the Centers for Medicare and
737 Medicaid Services.

738 Sec. 14. Section 38a-513 of the general statutes is repealed and the
739 following is substituted in lieu thereof (*Effective October 1, 2010*):

740 (a) (1) No group health insurance policy, as defined by the
741 commissioner, or certificate shall be issued or delivered in this state
742 unless a copy of the form for such policy or certificate has been
743 submitted to and approved by the commissioner under the regulations
744 adopted pursuant to this section. The commissioner shall adopt
745 regulations, in accordance with chapter 54, concerning the provisions,
746 submission and approval of such policies and certificates and
747 establishing a procedure for reviewing such policies and certificates. [If
748 the commissioner issues an order disapproving the use of such form,
749 the] The commissioner shall disapprove the use of such form at any
750 time if it does not comply with the requirements of law, or if it
751 contains a provision or provisions that are unfair or deceptive or that
752 encourage misrepresentation of the policy. The commissioner shall
753 notify, in writing, the insurer that has filed any such form of the
754 commissioner's disapproval, specifying the reasons for disapproval,
755 and communicating that no such insurer shall deliver or issue for
756 delivery to any person in this state a policy on or containing such form.
757 The provisions of section 38a-19 shall apply to such [order]
758 notifications of disapprovals.

759 (2) The commissioner may, as a condition of approval of a policy
760 form, require the insurer to provide disclosure notices, illustrations or
761 other explanatory materials to a policyholder at the time of sale. The
762 commissioner may require revisions to policy forms and related
763 advertising and sales materials if the commissioner believes such
764 revisions are required to protect policyholders. The commissioner may
765 issue guidelines for disclosure notice requirements said commissioner
766 deems necessary to protect policyholders.

767 (b) No insurance company, fraternal benefit society, hospital service
768 corporation, medical service corporation, health care center or other
769 entity [which] that delivers or issues for delivery in this state any
770 Medicare supplement policies or certificates shall incorporate in its
771 rates or determinations to grant coverage for Medicare supplement
772 insurance policies or certificates any factors or values based on the age,
773 gender, previous claims history or the medical condition of any person
774 covered by such policy or certificate. [, except for plans "H" to "J",
775 inclusive, as provided in section 38a-495b. In plans "H" to "J", inclusive,
776 previous claims history and the medical condition of the applicant may
777 be used in determinations to grant coverage under Medicare
778 supplement policies and certificates issued prior to January 1, 2006.]

779 (c) Nothing in this chapter shall preclude the issuance of a group
780 health insurance policy which includes an optional life insurance rider,
781 provided the optional life insurance rider must be filed with and
782 approved by the Insurance Commissioner pursuant to section 38a-430,
783 as amended by this act. Any company offering such policies for sale in
784 this state shall be licensed to sell life insurance in this state pursuant to
785 the provisions of section 38a-41.

786 (d) Not later than January 1, 2009, the commissioner shall adopt
787 regulations, in accordance with chapter 54, to establish minimum
788 standards for benefits in group specified disease policies, certificates,
789 riders, endorsements and benefits.

790 Sec. 15. Subdivision (15) of section 38a-816 of the general statutes is

791 repealed and the following is substituted in lieu thereof (*Effective*
792 *October 1, 2010*):

793 (15) (A) Failure by an insurer, or any other entity responsible for
794 providing payment to a health care provider pursuant to an insurance
795 policy, to pay accident and health claims, including, but not limited to,
796 claims for payment or reimbursement to health care providers, within
797 the time periods set forth in subparagraph (B) of this subdivision,
798 unless the Insurance Commissioner determines that a legitimate
799 dispute exists as to coverage, liability or damages or that the claimant
800 has fraudulently caused or contributed to the loss. Any insurer, or any
801 other entity responsible for providing payment to a health care
802 provider pursuant to an insurance policy, who fails to pay such a claim
803 or request within the time periods set forth in subparagraph (B) of this
804 subdivision shall pay the claimant or health care provider the amount
805 of such claim plus interest at the rate of fifteen per cent per annum, in
806 addition to any other penalties which may be imposed pursuant to
807 sections 38a-11, as amended by this act, 38a-25, 38a-41 to 38a-53,
808 inclusive, 38a-57 to 38a-60, inclusive, 38a-62 to 38a-64, inclusive, 38a-
809 76, 38a-83, 38a-84, 38a-117 to 38a-124, inclusive, 38a-129 to 38a-140,
810 inclusive, 38a-146 to 38a-155, inclusive, 38a-283, 38a-288 to 38a-290,
811 inclusive, 38a-319, 38a-320, 38a-459, 38a-464, 38a-815 to 38a-819,
812 inclusive, 38a-824 to 38a-826, inclusive, and 38a-828 to 38a-830,
813 inclusive. Whenever the interest due a claimant or health care provider
814 pursuant to this section is less than one dollar, the insurer shall deposit
815 such amount in a separate interest-bearing account in which all such
816 amounts shall be deposited. At the end of each calendar year each such
817 insurer shall donate such amount to The University of Connecticut
818 Health Center.

819 (B) Each insurer, or other entity responsible for providing payment
820 to a health care provider pursuant to an insurance policy subject to this
821 section, shall pay claims not later than forty-five days after receipt by
822 the insurer of the claimant's proof of loss form or the health care
823 provider's request for payment filed in accordance with the insurer's

824 practices or procedures, except that when there is a deficiency in the
825 information needed for processing a claim, as determined in
826 accordance with section 38a-477, the insurer shall (i) send written
827 notice to the claimant or health care provider, as the case may be, of all
828 alleged deficiencies in information needed for processing a claim not
829 later than thirty days after the insurer receives a claim for payment or
830 reimbursement under the contract, and (ii) pay claims for payment or
831 reimbursement under the contract not later than thirty days after the
832 insurer receives the information requested.

833 (C) As used in this subdivision, "health care provider" means (i) a
834 person licensed to provide health care services under chapter 368d,
835 chapter 368v, chapters 370 to 373, inclusive, 375 to 383c, inclusive, 384a
836 to 384c, inclusive, or chapter 400j, and (ii) a person who holds an
837 equivalent license from any other state.

838 Sec. 16. Subsection (a) of section 38a-478n of the 2010 supplement to
839 the general statutes is repealed and the following is substituted in lieu
840 thereof (*Effective from passage*):

841 (a) Any enrollee, or any provider acting on behalf of an enrollee
842 with the enrollee's consent, who has exhausted the internal
843 mechanisms provided by a managed care organization, health insurer
844 or utilization review company to appeal the denial of a claim based on
845 medical necessity or a determination not to certify an admission,
846 service, procedure or extension of stay, regardless of whether such
847 determination was made before, during or after the admission, service,
848 procedure or extension of stay, may appeal such denial or
849 determination to the commissioner. As used in this section and section
850 38a-478m, "health insurer" means any entity, other than a managed
851 care organization that delivers, issues for delivery, renews, amends or
852 continues an individual or group health insurance plan in this state
853 providing coverage of the type specified in subdivision (1), (2), (4),
854 (10), (11), (12), [and] (13) and (16) of section 38a-469, and "enrollee"
855 means a person who has contracted for or who participates in coverage

856 under an individual or group health insurance plan or a managed care
857 plan for such person or such person's eligible dependents.

858 Sec. 17. Section 2 of public act 09-179 is repealed and the following is
859 substituted in lieu thereof (*Effective from passage*):

860 The commissioner shall carry out a review as set forth in section 1 of
861 [this act] public act 09-179 of statutorily mandated health benefits
862 existing on or effective on July 1, 2009. The commissioner shall submit,
863 in accordance with section 11-4a of the general statutes, the findings to
864 the joint standing committee of the General Assembly having
865 cognizance of matters relating to insurance not later than January 1,
866 [2010] 2011.

867 Sec. 18. Subsection (b) of section 38a-473 of the general statutes is
868 repealed and the following is substituted in lieu thereof (*Effective from*
869 *passage*):

870 (b) No insurance company, fraternal benefit society, hospital service
871 corporation, medical service corporation, health care center or other
872 entity which delivers or issues for delivery in this state any Medicare
873 supplement policies or certificates shall incorporate in its rates or
874 determinations to grant coverage for Medicare supplement insurance
875 policies or certificates any factors or values based on the age, gender,
876 previous claims history or the medical condition of any person covered
877 by such policy or certificate. [except for plans "H" to "J", inclusive, as
878 provided in section 38a-495b. In plans "H" to "J", inclusive, previous
879 claims history and the medical condition of the applicant may be used
880 in determinations to grant coverage under Medicare supplement
881 policies and certificates issued prior to January 1, 2006.]

882 Sec. 19. Subsection (b) of section 38a-474 of the general statutes is
883 repealed and the following is substituted in lieu thereof (*Effective from*
884 *passage*):

885 (b) No insurance company, fraternal benefit society, hospital service

886 corporation, medical service corporation, health care center or other
887 entity which delivers or issues for delivery in this state any Medicare
888 supplement policies or certificates shall incorporate in its rates or
889 determinations to grant coverage for Medicare supplement insurance
890 policies or certificates any factors or values based on the age, gender,
891 previous claims history or the medical condition of the person covered
892 by such policy or certificate. [except for plans "H" to "J", inclusive, as
893 provided in section 38a-495b. In plans "H" to "J", inclusive, previous
894 claims history and the medical condition of the applicant may be used
895 in determinations to grant coverage under Medicare supplement
896 policies and certificates issued prior to January 1, 2006.]

897 Sec. 20. Subsections (a) and (b) of section 38a-495c of the general
898 statutes are repealed and the following is substituted in lieu thereof
899 (*Effective from passage*):

900 (a) Each insurance company, fraternal benefit society, hospital
901 service corporation, medical service corporation, health care center or
902 other entity in this state, on or after January 1, 1994, which delivers,
903 issues for delivery, continues or renews any Medicare supplement
904 insurance policies or certificates shall base the premium rates charged
905 on a community rate. Such rate shall not be based on age, gender,
906 previous claims history or the medical condition of the person covered
907 by such policy or certificate. Except as provided in subsection (c) of
908 this section, coverage shall not be denied on the basis of age, gender,
909 previous claim history or the medical condition of the person covered
910 by such policy or certificate. [except for plans "H" to "J", inclusive, as
911 provided in section 38a-495b. In plans "H" to "J", inclusive, previous
912 claims history and the medical condition of the applicant may be used
913 in determinations to grant coverage under Medicare supplement
914 policies and certificates issued prior to January 1, 2006.]

915 (b) Nothing in this section shall prohibit an insurance company,
916 fraternal benefit society, hospital service corporation, medical service
917 corporation, health care center or other entity in this state issuing

918 Medicare supplement insurance policies or certificates from using its
 919 usual and customary underwriting procedures, provided no such
 920 company, society, corporation, center or other entity shall issue a
 921 Medicare supplement policy or certificate based on the age, gender,
 922 previous claims history or the medical condition of the applicant. [,
 923 except that the previous claims history and the medical condition of
 924 the applicant may be used in determinations to grant coverage under
 925 Medicare supplement policies and certificates issued prior to January
 926 1, 2006, for plans "H" to "J", inclusive.]

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2010</i>	38a-8(d)
Sec. 2	<i>from passage</i>	38a-9
Sec. 3	<i>October 1, 2010</i>	38a-11(a)
Sec. 4	<i>October 1, 2010</i>	38a-14a
Sec. 5	<i>October 1, 2010</i>	38a-15
Sec. 6	<i>October 1, 2010</i>	38a-91bb(d)(1)
Sec. 7	<i>from passage</i>	38a-91hh(g)
Sec. 8	<i>from passage and applicable to calendar years commencing on and after January 1, 2010</i>	38a-91nn
Sec. 9	<i>October 1, 2010</i>	38a-92a(1)(B)
Sec. 10	<i>from passage</i>	38a-364(b)
Sec. 11	<i>October 1, 2010</i>	38a-430
Sec. 12	<i>October 1, 2010</i>	38a-481(a) to (d)
Sec. 13	<i>from passage</i>	38a-495b(b)
Sec. 14	<i>October 1, 2010</i>	38a-513
Sec. 15	<i>October 1, 2010</i>	38a-816(15)
Sec. 16	<i>from passage</i>	38a-478n(a)
Sec. 17	<i>from passage</i>	PA 09-179, Sec. 2
Sec. 18	<i>from passage</i>	38a-473(b)
Sec. 19	<i>from passage</i>	38a-474(b)
Sec. 20	<i>from passage</i>	38a-495c(a) and (b)

Statement of Purpose:

To modify various insurance statutes to strengthen the Insurance Department's ability to regulate the industry and protect consumers and to make technical and conforming changes.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]